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DEPARTMENT OF COMMERCE

International Trade Administration

[A-588-869]

Diffusion-Annealed, Nickel-Plated Flat-Rolled Steel Products from Japan: Preliminary Results of Antidumping Duty Administrative Review; 2016-2017

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that sales of subject merchandise by Toyo Kohan Co., Ltd. (Toyo Kohan) and Nippon Steel & Sumitomo Metals Corporation (NSSMC) were made at less than normal value during the period of review (POR) May 1, 2016, through April 30, 2017. Interested parties are invited to comment on these preliminary results.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Moses Song, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5041.

SUPPLEMENTARY INFORMATION:

Background

On May 1, 2017, Commerce published a notice of opportunity to request an administrative review of the antidumping duty order on certain nickel-plated, flat-rolled steel from Japan.<sup>1</sup> On May 22, 2017, Toyo Kohan requested that Commerce conduct an

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<sup>1</sup> See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 82 FR 20315 (May 1, 2017).

administrative review of its sales to the United States during the POR.<sup>2</sup> On May 30, 2017, the petitioner, Thomas Steel Strip Corporation (Thomas Steel or the petitioner), requested that Commerce conduct administrative reviews of Toyo Kohan and Nippon Steel & Sumitomo Metal Corporation (NSSMC).<sup>3</sup> On July 6, 2017, in response to these timely requests, and in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.221(c)(1)(i), Commerce published a notice of initiation of an administrative review of the antidumping duty order on certain nickel-plated, flat-rolled steel from Japan with respect to both Toyo Kohan and NSSMC.<sup>4</sup>

Commerce exercised its discretion to toll all deadlines affected by the closure of the Federal Government from January 20 through 22, 2018. The revised deadline for the preliminary results of this review is June 4, 2018.<sup>5</sup>

#### Scope of the Order

The diffusion-annealed, nickel-plated flat-rolled steel products included in this order are flat-rolled, cold-reduced steel products, regardless of chemistry; whether or not in coils; either plated or coated with nickel or nickel-based alloys and subsequently annealed (*i.e.*, “diffusion-annealed”); whether or not painted, varnished or coated with plastics or other metallic or nonmetallic substances; and less than or equal to 2.0 mm in nominal thickness. For purposes of this order, “nickel-based alloys” include all nickel alloys with other metals in which nickel accounts for at least 80 percent of the alloy by volume.

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<sup>2</sup> See Letter from Toyo Kohan to Commerce regarding “Toyo Kohan’s Request for Antidumping Administrative Review, Diffusion-Annealed Nickel-Plated Flat-Rolled Steel Products from Japan,” dated May 22, 2017.

<sup>3</sup> See Letter from Thomas Steel to Commerce regarding “Diffusion-Annealed Nickel-Plated Flat-Rolled Steel from Japan: Request for Third Administrative Review of Antidumping Order,” dated May 30, 2017.

<sup>4</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 82 FR 31292, 31294 (July 6, 2017) (*Initiation Notice*).

<sup>5</sup> See Memorandum for The Record from Christian Marsh, Deputy Assistant Secretary for Enforcement and Compliance, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, “Deadlines Affected by the Shutdown of the Federal Government” (Tolling Memorandum), dated January 23, 2018. All deadlines in this segment of the proceeding have been extended by 3 days.

Imports of merchandise included in the scope of this order are classified primarily under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7212.50.0000 and 7210.90.6000, but may also be classified under HTSUS subheadings 7210.70.6090, 7212.40.1000, 7212.40.5000, 7219.90.0020, 7219.90.0025, 7219.90.0060, 7219.90.0080, 7220.90.0010, 7220.90.0015, 7225.99.0090, or 7226.99.0180. The foregoing HTSUS subheadings are provided only for convenience and customs purposes. The written description of the scope of this order is dispositive.

#### Methodology

Commerce is conducting this review in accordance with section 751(a)(2) of the Act. For Toyo Kohan, export price is calculated in accordance with section 772 of the Act. Normal value is calculated in accordance with section 773 of the Act. For a full description of the methodology underlying our conclusions, *see* the memorandum from James Maeder, Associate Deputy Assistant Secretary for AD/CVD Operations, performing the duties of Deputy Assistant Secretary for AD/CVD Operations, to Gary Taverman, Deputy Assistant Secretary for AD/CVD Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, titled “Decision Memorandum for Preliminary Results of Antidumping Duty Administrative Review: Diffusion-Annealed, Nickel-Plated Flat-Rolled Steel Products from Japan; 2016-2017” (Preliminary Decision Memorandum), which is issued concurrent with and hereby adopted by this notice.

The Preliminary Decision Memorandum is a public document and is on file electronically *via* Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). Access to ACCESS is available to registered users at <http://access.trade.gov> and is available to all parties in the Central Records Unit, Room B8024 of

the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the Internet at <http://enforcement.trade.gov/frn/index.html>. A list of topics discussed in the Preliminary Decision Memorandum is attached as an Appendix to this notice. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

#### Application of Adverse Facts Available

Pursuant to section 776(a) of the Act, we are preliminarily relying upon facts otherwise available to assign a weighted-average dumping margin to NSSMC in this review because NSSMC did not respond to our AD Questionnaire.<sup>6</sup> Therefore, we preliminarily find that necessary information is not on the record of this review, and that NSSMC withheld information requested by Commerce, failed to provide information by the specified deadlines, and significantly impeded the conduct of the review. Further, we preliminarily determine that NSSMC failed to cooperate by not acting to the best of its ability to comply with requests for information and, thus, we are preliminarily applying total AFA to NSSMC, in accordance with section 776(b) of the Act. For a full description of the methodology underlying our conclusion regarding the application of AFA, *see* the Preliminary Decision Memorandum.

#### Preliminary Results of Review

We preliminarily determine that, for the period May 1, 2016, through April 30, 2017, the following weighted-average dumping margins exist for the respondents:

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<sup>6</sup> *See* Letter from Commerce to NSSMC, regarding the antidumping duty questionnaire, dated July 18, 2017 (AD Questionnaire).

<b>Producer or Exporter</b>	<b>Weighted-Average Dumping Margin (percent)</b>
Toyo Kohan Co., Ltd. Nippon Steel & Sumitomo Metal Corporation	4.53 77.70

#### Disclosure and Public Comment

Commerce will disclose to parties to the proceeding the calculations performed in connection with these preliminary results of review within five days after the date of publication of this notice.<sup>7</sup> Interested parties may submit case briefs to Commerce in response to these preliminary results no later than 30 days after the publication of these preliminary results.<sup>8</sup> Rebuttal briefs, the content of which is limited to the issues raised in the case briefs, must be filed within five days from the deadline date for the submission of case briefs.<sup>9</sup>

Parties who submit arguments in this proceeding are requested to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>10</sup> Executive summaries should be limited to five pages total, including footnotes. Case and rebuttal briefs should be filed using ACCESS.<sup>11</sup> In order to be properly filed, ACCESS must successfully receive an electronically-filed document in its entirety by 5 p.m. Eastern Time. Case and rebuttal briefs must be served individually on all interested parties.<sup>12</sup>

Within 30 days of the date of publication of this notice, interested parties may request a public hearing on arguments raised in the case and rebuttal briefs.<sup>13</sup> Unless Commerce specifies otherwise, the hearing, if requested, will be held two days after the date for submission of

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<sup>7</sup> See 19 CFR 351.224(b).

<sup>8</sup> See 19 CFR 351.309(c)(1)(ii).

<sup>9</sup> See 19 CFR 351.309(d)(1) and (2).

<sup>10</sup> See 19 CFR 351.309(c)(2) and (d)(2).

<sup>11</sup> See generally 19 CFR 351.303.

<sup>12</sup> See 19 CFR 351.303(f).

<sup>13</sup> See 19 CFR 351.310(c).

rebuttal briefs.<sup>14</sup> Hearing requests should be electronically submitted to Commerce *via* ACCESS.<sup>15</sup> Commerce's electronic records system, ACCESS, must successfully receive an electronically-filed document in its entirety by 5:00 p.m. Eastern Time within 30 days after the date of publication of this notice. Requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs.<sup>16</sup> Parties will be notified of the time and location of the hearing.

Commerce intends to publish the final results of this administrative review, including the results of its analysis of issues addressed in any case or rebuttal brief, no later than 120 days after publication of the preliminary results, unless extended.<sup>17</sup>

#### Assessment Rates

Upon completion of this administrative review, Commerce shall determine, and Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries.<sup>18</sup> If a respondent's weighted-average dumping margin is not zero or *de minimis* in the final results of this review, we will calculate importer-specific assessment rates on the basis of the ratio of the total amount of dumping calculated for an importer's examined sales and the total entered value of such sales in accordance with 19 CFR 351.212(b)(1). If a respondent's weighted-average dumping margin is zero or *de minimis* in the final results of review, then we will instruct CBP to liquidate that respondent's entries without regards to antidumping duties in accordance with the *Final Modification for Reviews*, i.e., "{w}" here the weighted-average margin of dumping for the

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<sup>14</sup> See 19 CFR 351.310(d)(1).

<sup>15</sup> See generally, 19 CFR 351.303.

<sup>16</sup> See 19 CFR 351.310(c).

<sup>17</sup> See section 751(a)(3)(A) of the Act; 19 CFR 351.213(h).

<sup>18</sup> See 19 CFR 351.212(b)(1).

exporter is determined to be zero or *de minimis*, no antidumping duties will be assessed.”<sup>19</sup>

Further, if an importer-specific assessment rate is zero or *de minimis*, then we will instruct CBP to liquidate that importer’s entries without regards to antidumping duties.<sup>20</sup> The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.

For entries of subject merchandise during the POR produced by Toyo Kohan for which it did not know its merchandise was destined for the United States, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for intermediate company(ies) involved in the transaction.<sup>21</sup> The all-others rate is 45.42 percent.<sup>22</sup>

We intend to issue liquidation instructions to CBP 15 days after publication of the final results of this review.

#### Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for companies subject to this review will be equal to the weighted-average dumping margin established in the final results of this administrative review (except, if the rate is zero or *de minimis*, no cash deposit will be required); (2) for merchandise exported by a producer or

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<sup>19</sup> See *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101, 8102 (February 14, 2012) (*Final Modification for Reviews*).

<sup>20</sup> See 19 CFR 351.106(c)(2).

<sup>21</sup> See *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

<sup>22</sup> See *Diffusion-Annealed, Nickel-Plated Flat-Rolled Steel Products from Japan: Antidumping Duty Order*, 79 FR 30816, 30817 (May 29, 2014) (*Order*).

exporter not covered in this review but covered in a prior, completed segment of this proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the less-than-fair value investigation but the producer is, the cash deposit rate will be the rate established a prior, completed segment of this proceeding for the most recent period for the producer of the subject merchandise; or (4) the cash deposit rate for all other producers or exporters will be the all-others rate of 45.42 percent established in the investigation.<sup>23</sup> These cash deposit requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers

This notice also serves as a reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

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<sup>23</sup> See *Order*, 79 FR at 30817.



Notification to Interested Parties

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213(h)(1).

*Dated: June 4, 2018.*

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Gary Taverman,  
Deputy Assistant Secretary  
for Antidumping Countervailing Duty Operations,  
performing the non-exclusive functions and duties of the  
Assistant Secretary for Enforcement and Compliance.

## **Appendix**

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